

Thomas A. Lee, Jr.

General Counsel

PORSF 11.3.193.1

October 4, 1994

James L. Arnone Latham & Watkins 633 West Fifth Street Suite 4000 Los Angeles, California 90071-2007

Re: Lynden Farms Processing Facility, 6135 N. Basin Avenue, Portland, OR

Dear Mr. Arnone:

I am writing in response to your July 14, 1994, letter regarding the existence of certain potential environmental issues at the above referenced property. To address your client's concerns regarding the operation of the facility under Foster Farms' management, I directed Ken Perkins, Manager of Safety, Health and Environmental Affairs for Foster Farms to conduct a comprehensive review of all environmental site assessment reports, federal and state regulatory requirements covering such matters, and other related records that would allow me to develop an opinion on the environmental condition of the property and whether hazardous chemicals are being handled in an appropriate manner. Ken Perkins is a Registered Environmental Assessor (REA) and a Registered Environmental Health Specialist (REHS).

SUMMARY OF FINDINGS

In May and June 1992, PBS Environmental (PBSE) performed a Phase I and Phase II Environmental Site Assessment (ESA) at the property and identified eight (8) environmental concerns regarding possible soil and ground water contamination. In April 1993, a follow-up ESA was performed by McLaren Hart. In their April 29, 1993 and January 14, 1994 reports, ten (10) additional environmental concerns were identified and described.

On September 7, 1994, Mr. Perkins conducted a walk-through inspection to determine the status of the findings identified in the aforementioned ESA reports.

ESA/C:



1. Underground Waste Oil Tank:

Both reports state that operating permits for the waste oil tank had not been obtained from the Department of Environmental Quality (DEQ). As of this date, the tank has been precision tested for leaks and the appropriate operating permits have been issued by DEQ. Foster Farms intends to continue operating the waste oil tank in accordance with the permit and DEQ requirements. All regulatory requirements have been met and no further action is required regarding this issue.

The petroleum staining reported on page 4 of McLarn/Hart's ESA report was inspected. There is presently no physical evidence that any soil surrounding the infill pipe and vent has been permanently stained or contaminated by waste oil or any other petroleum product.

Foster Farms employees have instituted a hazardous material handling program that should prevent any spillage of waste oil onto the surface of the ground.

2. Staining Adjacent to a Transformer:

McLaren/Hart's ESA report states that no detectable levels of PCBs were found during soil sampling. As for the petroleum stain observed near the transformer, there is currently no physical evidence that the concrete or asphalt that surrounds the transformers has ever been stained by petroleum products or waste. However, this area is directly adjacent to the employee break area and a large "coffee" stain was observed on the concrete pad supporting the transformers. The stain was removed by sanitation crews using a mild detergent soap and copious amounts of clean water.

No further investigative work or regulatory action is required.

3. Waste and Surface Water Discharge:

<u>Wastewater Discharge</u>. The Lyndon Farms processing facility currently has a valid operating permit to discharge wastewater into the City of Portland's wastewater treatment plant. No further action is required concerning this issue.

Storm Waste Discharge. A stormwater discharge permit has been obtained from DEQ and a Stormwater Management Plan has been developed for the facility. There is currently no physical evidence (soil staining, odor, dead vegetation) that a petroleum release had occurred in the areas identified in the report.

ESNC:

Foster Farms intends to collect soil samples in these areas to determine whether any environmental contamination would warrant cleanup. In addition, all chemical storage has been moved to locations that will prevent accidental spills and releases into the storm water drainage system.

4. Hazardous Materials Storage (Above Ground):

<u>Barrel Storage Area</u>. Foster Farms has hired an outside consulting firm to collect soil samples in the former "Barrel Storage Area" and remove any contaminated soil that exceeds Oregon's 100 ppm TPH-D (total petroleum hydrocarbon - diesel) cleanup criteria. Results from the sampling should be available in the next 4-6 weeks.

No chlorinated hydrocarbons were detected during either ESA. Storage of chemicals are no longer being carried out in this area.

Pipe Trench in Boiler Room. The concrete-lined pipe trench in the boiler room was designed to prevent oil leaks from contaminating soil and/or groundwater beneath the building. As reported in McLaren/Harts' ESA Report, the contaminated "sediment" is not considered "soil" and is not regulated by state or federal cleanup standards. Absorbent material will be placed in the pipe trench so that if a "significant" release should occur, the lubricating oil can be easily removed and treated.

No further investigative work or regulatory action is required regarding this issue.

<u>Chemical Storage Room</u>. The pH values for soil samples collected in the "former" chemical storage room are within normal, safe pH ranges.

No further investigative work or regulatory action is required regarding this issue.

<u>Hazardous Material Storage near Truck Maintenance Shop.</u> Storage of chemicals are no longer allowed in this area. There is presently no physical evidence of soil contamination in this area.

No further investigative work or regulatory action is required regarding this issue.

5. Dredged Fill Materials:

Both ESA reports indicate that there is no evidence of environmental contamination in the dredged fill material.

No further action is required.

ESA/C;

6. Potential Asbestos Containing Building Materials:

If any major building modifications are made, all potential asbestos-containing material will be analyzed for friable asbestos and handled in accordance with established procedures.

No further action required regarding this issue.

7. Former 8,000-gallon Underground Gasoline Tank:

According to DEQ underground storage tank records, the former 8,000 gallon gasoline tank was removed and officially decommissioned on September 15, 1990.

No further action required regarding this issue.

8. Petroleum Release Adjacent to Storm Drain at Truck Parking Area:

In accordance with the Storm Water Management plan for the facility, all petroleum products are stored in areas that would prevent accidental releases from reaching any storm water conveyance system.

No further investigative work or regulatory action is required regarding this issue.

9. Petroleum Releases in the Engine Room:

The entire surface area of the floor in the Engine Room is lined with concrete and designed to prevent oil leaks from contaminating soil and/or groundwater. Since the contaminated "sediment" is not considered soil, it is not regulated by state or federal cleanup standards. Absorbent material will be placed in the channel so that if a significant release should occur, the lubricating oil can be easily removed and treated.

No further investigative work or regulatory action is required regarding this issue.

10. Oil/Water Separator Adjacent to the Engine Room:

The area surrounding the oil/water separator is comprised of concrete and asphalt which is designed to prevent petroleum products from soaking into the underlining soil. The previously observed oil stains on the surface of the asphalt and concrete do not fall under any federal or state regulatory cleanup rules.

No further investigative work or regulatory action is required regarding this issue.

ESA/C:

11. Petroleum Releases and Floor Drains in Maintenance Shop:

If any petroleum spills had occurred in 1992, these spills have been cleaned up. The drains were inspected on September 6, 1994 and no evidence of oil or other chemical contamination were observed. Since the entire floor area in the Maintenance Shop is comprised of impervious concrete and the floor drains are connected to the sanitary sewer, no environmental contamination to soil or groundwater could have occurred.

No further investigative work or regulatory action is required regarding this issue.

12. Waste Oil Sump, Underground Piping and Petroleum Releases in the Truck Maintenance Shop:

The two-foot by three-foot by two-foot deep sump has been steamed cleaned and all waste oil residue removed. The sump is concrete lined and, therefore, is not a potential source of contamination to soil and/or groundwater.

The underground waste oil tank has been tested by a certified tank tester and has been certified as "tight." The tank is currently permitted by DEQ and complies with all federal and state underground storage tank laws.

No further investigative work or regulatory action is required regarding this issue.

13. Petroleum Release Northwest of the Engine Room (4.13, Page 10):

No visible or physical signs of soil staining or unauthorized releases of chemicals were observed during Mr. Perkins' September 6, 1994 inspection.

No further action needed.

14. Underground Diesel Tanks Formerly Located on the Cenex Property:

See enclosed copy of a report entitled "Phase II environmental Investigation Hydrocarbon Plume Delineation", dated April 19, 1994.

This report shows that the fuel tank in question was removed in accordance with DEQ regulations and that soil and groundwater was not impacted.

No further investigative work or regulatory action is required regarding this issue.

ESA/C:

OTHER MATTERS

Pursuant to your request, the following information is provided:

- 1. A list of all toxic and/or hazardous chemicals routinely used at the site.
- 2. A description of the protocols used by Foster Farms employees when handling, storing and disposing of hazardous materials (Environmental Guide for Managing Hazardous Wastes, September 1992).
- 3. The name and title of the individual responsible for ensuring the property operates in compliance with all environmental requirements is:

Kenneth A. Perkins, REHS, MSA, Manager of Safety, Health and Environmental Affairs

If you have any questions or need additional information, please call me.

Sincerely,

Thomas A. Lcc,

TAL:md

Enc.



